

**Jefferson County Industrial Development Agency
Loan Review Committee Meeting Minutes
August 24, 2022**

Present: David Converse (Chair), Rob Aliasso

Excused: Kent Burto, Christine Powers, John Jennings

Also Present: David Zembiec, Lyle Eaton, Peggy Sampson, Joy Nuffer, Bill Johnson, KC Bennett (Sally Port View), Corry Lawler (L2, LLC)
Zoom: Paul Warneck, Stephen Maier, Esq. (Harris Beach), John Rappe and Ivo Tomchev (Wilna PV, LLC)

I. Call to Order: Chair Converse called the meeting to order at 8:03 a.m.

II. Pledge of Allegiance

Sally Port View LLC – A request for a \$112,500 RLF for capital improvements to real estate to be located in Three Mile Bay, NY. This will be a loan participation with the North Country Alliance (lead agency) for a total project of \$8,414,874. Projection of 14 FTEs over three years.

Mr. Bennett provided background on his education and work history which included military service.

At 8:05 a.m., a motion was made by Mr. Aliasso to convene into executive session to discuss the personal financials of Mr. Bennett, seconded by Mr. Converse. Committee Members, Board Members, Staff, Counsel, Matt Siver (DANC/NCA), and Mr. Bennett remained.

At 8:28 a.m., a motion was made by Mr. Aliasso to leave executive session, seconded by Mr. Converse.

Mr. Aliasso asked about sewage for the project. Mr. Bennett said that he is putting in a septic field.

Mr. Bennett indicated that he is working with Watertown Savings Bank to close on the SBA loan in October. He said that infrastructure work has begun for the underlay before winter arrives. It was noted that Mr. Bennett already owns the land (60 acres). Mr. Zembiec said that he would discuss the PILOT application with Mr. Bennett to see if there is an interest in applying to save on sales tax, mortgage recording and property tax abatement for the project.

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The proposed terms as follows: 20-year amortization with a 5-year balloon at a rate of 5% and Interest Only for the first 6 months. Collateral will be a co-proportional second mortgage position, assignment of rents and leases on all real estate located at 7828 NYS Route 12E, Three Mile Bay, NY, a co-proportional second lien on all assets of the business and personal guarantee by Kurtis Bennett. Mr. Siver said that NCA will be requesting keyman life insurance and approval of all other parties listed in the write up. Committee members agreed to add the keyman life insurance and the approval of the North Country Alliance, Tourism Loan Fund, National Grid Grant, NCEDF, REDC-Bridge Loan and WSB 7a Loan.

A motion was made by Mr. Aliasso to move the recommendations to the full board of directors, seconded by Mr. Converse.

Mr. Bennett and Mr. Siver left the meeting at 8:41 a.m.

III. Other/Unfinished Business

- 1. OYA Ellisburg Assignment** – Attorney Maier said there is a request to authorize the transfer of the controlling interests in OYA Ellisburg Solar to OYA Solar Construction Holdings 2, LLC (to be formed upon approval). He indicated that the PILOT would close shortly thereafter. He said that a resolution will be prepared for the board meeting.
- 2. Wilna PV, LLC** – A request for a PILOT for a 3 MWac solar PV power plant to be located at 42459 County Route 41, Natural Bridge, NY.

Mr. Tomchev said development started in 2020. He said there is 61 acres and that 21.21 acres will be disturbed for the project. Mr. Zembiec pointed out that they are requesting sales tax abatement, unlike other solar projects that we approved. Mr. Rappe said that certain items such as fencing and roads are not tax exempt at the state level. Mr. Aliasso asked staff to get clarity on what is taxable or not.

Mr. Eaton said that he needs to get a good handle on the final assessment.

Mr. Aliasso asked if the project will have a community adder. Mr. Rappe said no and indicated that they are no longer eligible. Instead they may be eligible for an inclusive community adder if they achieve 60% to 80% residential customers.

A motion was made by Mr. Aliasso to move the request to the full board of directors, seconded by Mr. Converse. All in favor.

Mr. Rappe and Mr. Tomchev left the meeting at 8:56 a.m.

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3. **L2, LLC** – A request for a PILOT to construct a 30,000 square foot office and manufacturing facility for consolidation of all operations on Lot 10 in the corporate park.

Mr. Lawler said that they currently have three locations for the manufacturing of their sheet metal. He said they have 100+ employees on the construction side and the business includes electrical, plumbing and mechanical. He said that he and Mike Lundy have created an LLC together (Design Build Innovations) to prefab walls but indicated that they don't have enough room/power in their space in Theresa that they are leasing. He said that they decided to consolidate all locations on the property Mr. Lundy has in the Corporate Park because it seems to be a good fit and allows them to stay local. He said the plan is to develop both lots 10 and 11 (spec building). Mr. Zembiec noted that the planning board will vote on the SEQR (for both lots) at their September meeting. He said the PILOT application being considered is for Lot 10 only and indicated that a new application for Lot 11 would have to be filed if they decide to build the spec building. Mr. Converse said that both buildings comply with the covenants.

Mr. Lawler pointed out that there was no way to project the amount of field workers because it will be based upon the work requested.

A motion was made by Mr. Aliasso to move the request to the full board of directors, seconded by Mr. Converse. All in favor.

- IV. **Adjournment:** With no further business before the committee, Mr. Aliasso made a motion to adjourn the meeting, seconded by Mr. Converse. The meeting adjourned at 9:12 a.m.

Respectfully submitted,
Peggy Sampson